Process Name: Accounts Payable	Process Identifier: AP
Sub-Process Name: 1099 Processing	Sub-Process Identifier: AP-5

Sub-Process Purpose and Objectives: Process 1099s prior to IRS deadlines

Sub-Process Description: From October through December, the Division of Accounts (Accounts) orders and distributes reports to agencies. The two reports are the 1099 simulation and the "Object Reportable/Vendor Not 1099 Reportable" report. The agencies review the reports and request changes to the vendor file.

In January, Accounts orders the same set of reports for the agencies. Accounts also produces a 1099 extract file in Foxpro. The agencies review the reports and requests changes to the vendor information. Accounts receives the request and updates the Foxpro extract file. The extract file is then interfaced to the 1099 system to produce the 1099 reports that are distributed to the vendors. Each vendor reviews the 1099 and works with Accounts and the agencies as needed to resolve any issues. In addition, agencies send non-STARS 1099 files that are imported into the 1099 system. Next, Accounts decides that the 1099 process is completed and uses the 1099 system to produce a file that is sent to the IRS.

Sub-Process Trigger(s):	Key Sub-Process Participants:
• Time for 1099	• Division of Accounts • Agencies • Internal Revenue Service • Vendors

Inputs:

Input	Format	Volume/Time	Suppliers
STARS History	Electronic	30,000 per year	STARS
Changes from agencies	E-mail/excel/Foxpro	1,000 per year	STARS

Outputs:

Process Name: Accounts Payable		Process Identifier: AP	
Sub-Process Name: 1099 Processing		**Sub-Process Identifier**: AP-5	
Output	**Format**	**Volume/Time**	**Recipients**
1099 Forms	Paper	30,000 per year	Vendor
1099 File	Electronic	1 per year	IRS

Performance Measures Tracked:		
Measure	**Approx. Value**	**Target Value**
Generate paper report	January 31	January 31
Transmit 1099 file electronic	March 31	March 31

Laws, Regulations, and Policies That Govern Sub-Process: IRS rules and regulations

Current Sub-Process Issues/Problems: The 1099 system does not readily support the 1099 process. The system is over twenty years old and is not flexible.

Improvement Opportunities:

Opportunity *Merge cells to link one Opportunity to multiple impacts)*	Organizational Impacts *(Individually list and describe laws [L] regulations [R], and policies [P], as well as cultural [C] considerations for each opportunity)*	
Automatic generation of 1099s		C

Applications that Support the Sub-process

Application Name(s) *(Internal name and vendor's name)*	Technology Description *(Programming vendor, language, platform, database, etc.)*
1099 system	The 1099 system is a 20 year old mainframe system. It is written in COBOL and uses an IMS database.
STARS	STARS is KPMG's mainframe governmental accounting system. It is written in COBOL and uses an IMS database.

Process Name: Accounts Payable	Process Identifier: AP
Sub-Process Name: 1099 Processing	Sub-Process Identifier: AP-5
Foxpro	Foxpro is a PC based database software written by Microsoft.

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October/November Year X0 | January Year X1

Division of Accounts

IRS Reporting Requirements → Order 1099 Reports

AP-1 Vendor/Customer Maintenance

Order 1099 Reports and Produce File

Page 2

Review and Update Vendor Information

Agency

1099 Reports

Object Reportable/ Vendor Not Report

Review 1099 Report and Request Vendor Changes

1099 Reports

Object Reportable/ Vendor Not Report

Review 1099 Report and Request Vendor Changes

STARS

Produce 1099 Reports

Produce 1099 Reports

FOXPRO

FoxPro Extract File

Process: AP Accounts Payable	**File:** AP Processes.vsd
Sub-Process: AP-5 1099	**Date:** 10/31/02
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